

## WATTS BAR UNIT 2

# First for the 21st

**T**he TVA Board's vote to complete Watts Bar Nuclear Plant Unit 2 will result in the first "new" nuclear plant to come online in the United States in the 21st century. And its completion and operation supports TVA's mission in the key areas of energy, environment and economic development.

"Completing Unit 2 will put an existing asset to work for the region and help reduce the cost of power to our customers while providing safe, reliable and clean energy for the Valley," says Ashok Bhatnagar, senior vice president of Nuclear Generation Development & Construction, or NGDC.

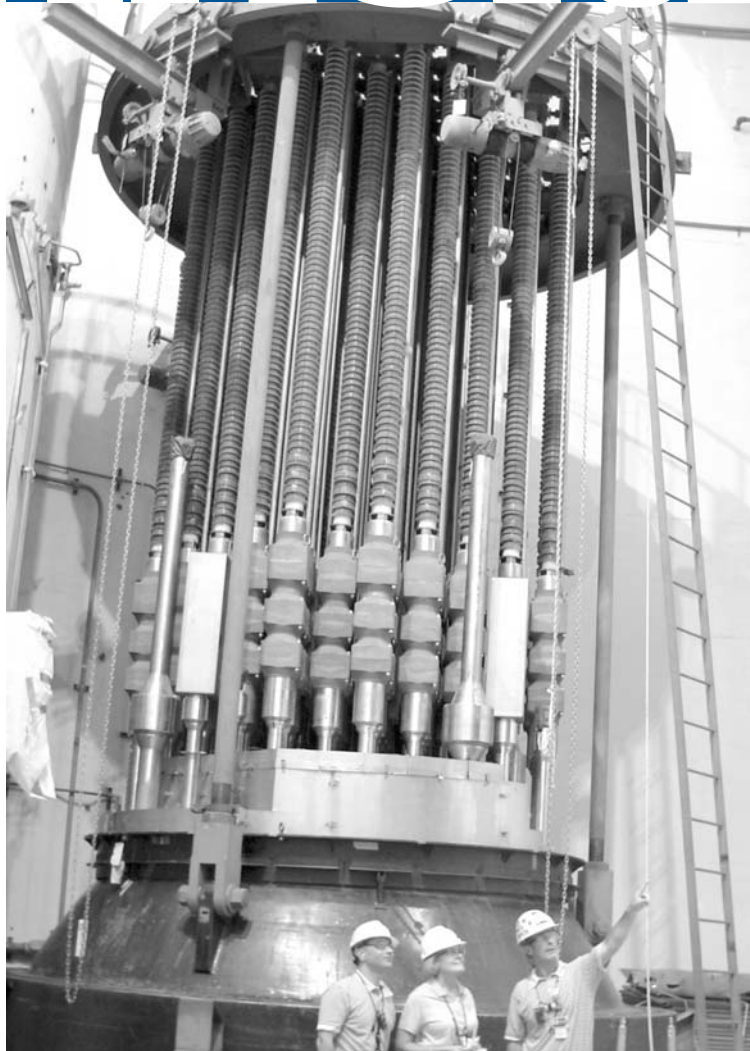
TVA established NGDC in late April to manage all development and construction associated with nuclear power at TVA.

The board based its decision on results from four studies of Watts Bar 2 — a detailed scoping, estimating and planning, or DSEP, study; an environmental review; a power-supply assessment; and a financial and risk analysis.

The Supplemental Environmental Impact Statement updated information from previous environmental studies associated with Watts Bar and determined there would be no significant environmental impacts due to the completion and operation of the second unit at the site. Adding Unit 2 to the generating portfolio also reduces TVA's overall carbon footprint.

Although TVA is striving to curtail growth in power demand by 1,200 megawatts in five years through energy efficiency and reductions in peak demand, TVA will still need the baseload power that Unit 2 will provide by 2013,

*See "Watts Bar 2" on page 2*



Standing in front of the Watts Bar Nuclear Plant Unit 2 reactor-vessel head inside upper containment, Maintenance & Modifications Manager Brian Briody (right) points out the equipment-access closure hatch to Director Skila Harris during her recent tour through the plant with Masoud Bajestani, vice president of Watts Bar Unit 2.

## Fontana Dam on History Channel

Page 3

## Saving dollars through energy reduction

Page 3

## Still time to be in the TVA movie

Page 4

## Join your friends at the retiree picnic

Page 4

# Economic Development: partnerships matter

**A** good economic-development project in a community is like a pebble thrown into a pond — the ripples from the impact can go on and on.

And a good economic-development project is usually the result of a host of partners with multiple roles agreeing to come together for the good of the cause.

John Bradley, senior vice president of TVA Economic Development, delivered those messages to the TVA Retirees Association Advocacy Council recently with enthusiasm and a positive outlook that pretty much said, "TVA ED is on a roll as a result of working together and helping communities be prepared for economic growth."

To date, nine certified megasites have been certified in the Tennessee Valley.

"Three of these megasites have been sold and six remain available," Bradley told the council members assembled in Nashville. "The recent Toyota announcement on the megasite near Tupelo, Miss., is a \$1.3-billion project creating 2,000 direct jobs. But that doesn't count the 'ripple effect' of support companies that also will locate in surrounding areas. There could be as many as 30 suppliers that want to be in close proximity to the plant.

"The residual economic effect of landing big projects like this could easily surpass the job numbers created by the project itself. Now we work with the communities on how to plan for these valuable spin-off suppliers and jobs."

Bradley said that while megasites represent significant numbers, this

*See "Economic development" on page 3*

## Inside TVA

RETIREES EDITION

Inside TVA Retirees Edition and Inside TVA are available on the TVA external homepage [www.tva.com](http://www.tva.com).

Comments and suggestions are welcome. Send them to *Inside TVA Retirees Edition*, WT 7A-K (400 W. Summit Hill Dr., Knoxville, TN 37902), or call 865-632-8004.

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TVA is an equal-opportunity and affirmative-action employer. TVA also ensures that the benefits of programs receiving TVA financial assistance are available to all eligible persons, regardless of race, color, sex, national origin, religion, disability or age.

Inside TVA Retirees Edition will be made available in alternate format, such as Braille, large print or audiocassette, upon request. For information, call 865-632-6124 (TTY 865-632-2178).

Inside TVA Retirees Edition is printed on recyclable, 30-percent post-consumer recycled paper.



### To change your address

Retirees who get pension checks from TVA should update their addresses with the following information if they move: Name, address, Social Security number (at least the last four digits) and signature. Mail it to Retirement Services, 400 W. Summit Hill Dr., Knoxville, TN 37902-1401.

Retirees who do not get pension checks from TVA but have TVA medical insurance need to update their address with the same information as above if they move and mail it to the TVA Service Center, 400 W. Summit Hill Dr., Knoxville, TN 37902-1401.

Forms for updating your information also are on [www.tva.com](http://www.tva.com) under Retirees.

## Watts Bar 2 *continued from page 1*

says Terry Boston, executive vice president of Power System Operations. Boston led the power-supply study on Watts Bar 2.

Renewable energy sources in TVA's Green Power Switch program help meet TVA customers' electricity demand, but they cannot provide enough energy to meet the Tennessee Valley's load growth.

Bhatnagar says for Watts Bar Unit 2, TVA is implementing lessons learned from the Browns Ferry Unit 1 restart.

"A construction organization separate from TVA's Nuclear Power Group was created to avoid distractions for the staff of operating units," he says. "Another lesson we learned at Browns Ferry is to hire staff to support operating the unit sooner to ensure plenty of time for training."

Human Resources worked with line managers to develop a staffing plan that includes a timeline for the recruiting process. The timeline ensures recruiting begins at the right time to find trainees, college recruits and experienced professionals to serve as operators, engineers, crafts for maintenance and modifications, instructors, technicians and other support positions needed to operate and maintain the plant. Although there are some shortages of qualified and nuclear-experienced people available in the workforce, people interested in being a part of the history-making project at Watts Bar have already begun contacting TVA recruiters.

"In addition to the increase in total payroll for permanent employees, the construction period will mean a significant boost for the area," Bhatnagar says.

For the Browns Ferry Unit 1 restart, construction payroll totaled about \$73 million annually, and TVA paid \$216 million to vendors and suppliers in Alabama in 2006 alone. Similar economic benefits are expected for the completion of Watts Bar 2.

### Studies completed

The detailed scoping, estimating and planning study found that there is less direct craft work but more engineering work to be done when compared to Browns Ferry 1 recovery, says Watts Bar 2 Vice President Masoud Bajestani.

"Some major equipment originally installed in Watts Bar Unit 2 was removed and used in Watts Bar Unit 1 or at Sequoyah Nuclear Plant. Those pieces of equipment, including four reactor-coolant pumps, six moisture-separator reheaters and three low-pressure turbines, will have to be replaced. Unit 2 will be completed to make it similar to the current design of Watts Bar 1."

Bhatnagar says one risk identified in the DSEP is the regulatory licensing process. TVA holds a construction permit with the Nuclear Regulatory Commission valid until the end of 2010.

"The process to reactivate and extend the construction permit is straightforward; however we have to work with the NRC to establish the framework within the licensing process to obtain an operating license for Unit 2."

Because the NRC's new licensing process is for advanced-



Watts Bar Nuclear Plant near Spring City, Tenn.

design nuclear plants, Unit 2 will be licensed following the process used for licensing the existing fleet of nuclear-power plants in the United States.

"We'll apply for a low-power operating license about six months before startup and a full-power license when low-power testing is complete," Bhatnagar says.

TVA is a member of the NuStart consortium that is preparing to submit a license application for an advanced-design nuclear plant at Bellefonte. Although no decision has been made to construct a new plant at Bellefonte, the application is expected to be submitted late this fall.

Following a brief discussion of the benefits of the possible completion and operation of Unit 2 during TVA Director Skila Harris's recent tour of Watts Bar, Shift Manager Greg Evans summed it all up with three words, "It's all good!"

— TERRY JOHNSON

### Watts Bar 2 — by the numbers

- **2.49 billion** — Projected dollar cost to complete Watts Bar Unit 2
- **5 years** — Completion schedule
- **4** — Number of studies evaluating Watts Bar 2
- **1,180** — Megawatts of added capacity
- **650,000+** — Homes in the Tennessee Valley Watts Bar 2 can power
- **0** — Tons of carbon-dioxide emissions from Watts Bar 2 operation
- **271** — Increase in number of employees for 2-unit operation
- **1.7 billion** — Dollar cost of Watts Bar 2 to date
- **6.9 billion** — Dollar cost of Watts Bar 1 construction
- **1996** — Year when Watts Bar 1 began operation
- **60** — Percent completion status estimated for Watts Bar 2
- **2,500** — Approximate number of temporary construction jobs for Watts Bar 2

### IN THE NEWS

## Georgian nominated for TVA Board; Greene named chief financial officer

President George W. Bush has nominated **Thomas Gilliland** of Blairsville, Ga., to be a member of TVA's board of directors for the remainder of former Director Bill Baxter's term, which will expire May 18, 2011.



Thomas Gilliland

Baxter resigned from the TVA Board in January of this year.

The President also nominated TVA Board Directors William Graves and Susan Richardson Williams for new

terms that will expire May 18, 2012.

Gilliland is executive vice president, general counsel and secretary of United Community Banks Inc., a Blairsville bank holding company with \$8 billion in assets.

**Kimberly (Kim) Scheibe Greene** has been named chief financial officer and executive vice president of financial services, effective Sept. 4. Greene joins TVA from Southern Company, where she is senior vice president of finance and treasurer.

Greene will report to TVA President & Chief Executive Officer Tom Kilgore

and will be based in Knoxville.

She will be responsible for all TVA financial functions, including treasury, accounting, risk management, financial planning and investor relations.

In her current role, Greene directs financial planning and analysis, enterprise risk management, capital markets and leasing, treasury and investor relations for Southern Co. Services. She is a native of Knoxville.



Kim Greene



## Economic development

*continued from page 1*

program is only one tool in an expansive package that supports TVA's economic-development model to attract or retain jobs and increase investments in the Valley.

And that model works. TVA's aggressive ED

posture is successful because there's more than just TVA at the table, Bradley said.

"It really takes a village to land these projects," he said. "There's not one entity that can single-handedly take credit for these projects. For the distributor customers, states, regional partners and communities that we work with externally, we bring our resources to the equation.

"Internally, we depend on the collaboration

of our TVA colleagues. For example, I would say more than 500 TVA employees touched the Toyota deal. TVA has many talented employees with expertise on just about everything, and we don't mind seeking them out. We access that extensive knowledge base to meet TVA's economic-development mission to create a vibrant regional economy for the benefit of the people we serve."

— CAROLYN MINTER

### The megasite program

In response to a growing need for megasites — large industrial properties appropriate for automotive-manufacturing facilities or other heavy industrial development — TVA commissioned McCallum Sweeney Consulting in 2004 to review proposed megasites in the Tennessee Valley. MSC is an independent firm based in Greenville, S.C.

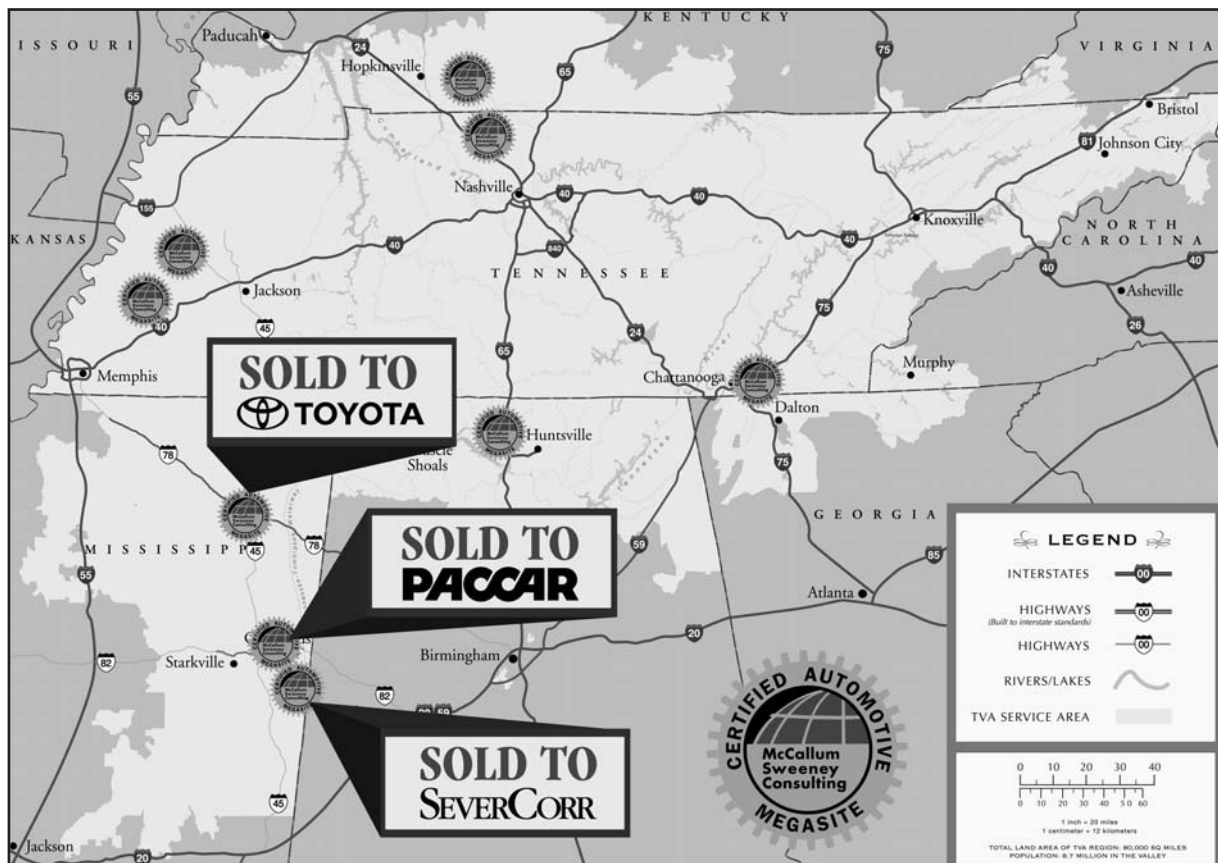
Nine sites have been certified, and three have been sold.

#### The three sites sold are as follows:

The Lowndes County-Golden Triangle megasite in Columbus, Miss., was sold to SeverCorr. SeverCorr will make steel for the auto industry.

The Wellspring Project megasite near Tupelo, Miss., was sold to Toyota. Toyota will manufacture the Highlander SUV (sport-utility vehicle).

The Crossroads megasite in Columbus, Miss., was sold to Paccar. Paccar is locating a facility there to build truck engines.



## History Channel program to feature story of Fontana Dam

An upcoming program on the History Channel will include information provided by TVA on the construction of Fontana Dam in the 1940s.

A two-hour special on Appalachia, titled "Hillbilly: The Real Story," is scheduled to air 8-10 p.m. EST Sunday, Sept. 23, on the History Channel. The last part of the show is on the TVA Fontana Dam construction.

The producer says the two-hour special, hosted by actor and country-music singer Billy Ray Cyrus, will bring America's mythic and misunderstood Southern mountain people to life and reveal their pivotal but little known role in forming the nation and forging the American character. The show's intent is to correct the stereotypical "hillbilly" image of the Appalachian people.

### More about Fontana Dam

Construction of the dam, located in the Southern Appalachian mountains in North Carolina, began in January 1942 just as America was entering World War II. The massive project, needed to supply electricity for the war effort, broke construction records. A community was built for the workers and their fam-



ilies. Some 5,000 men and women worked in three shifts, around the clock, seven days a week.

Due to shortages of steel, engineers designed the powerhouse superstructure with reinforced concrete.

In November 1944, the Fontana Reservoir began to fill, and on

Jan. 20, 1945, the dam began generating electricity. The project cost \$74.7 million.

At 480 feet, Fontana is the highest dam in the TVA system, and the highest concrete dam east of the Rocky Mountains. The dam's three generating units supply 241 megawatts of electricity.

### Campaign under way to reduce consumption

TVA is conducting an energy-efficiency advertising campaign to encourage consumers to save on their

power bills by turning their home air-conditioning thermostats up a few degrees and lowering their water-heater temperatures to 120 degrees Fahrenheit.

Consumers also are encouraged to pay attention to their energy use between 2 p.m. and 8 p.m. and reduce consumption where possible. These hours are typically the highest cost for TVA.

While consumers won't save immediately, any savings from reductions in TVA's costs for generator fuel and power purchased from other suppliers will help lower the Fuel Cost Adjustment amounts on their bills in the future.





# TVA history in the (film) making

Retirees and others are providing a wealth of stories for a new documentary on TVA.

**T**VA retirees have contributed dozens of interesting stories about the history of the Tennessee Valley for an upcoming documentary on TVA.

"We are delighted with the response we've gotten from people all over the Valley," says Dick Swisher, who is coordinating the project for BVI. BVI is sponsoring the film to honor TVA on its 75th anniversary.

In June, BVI announced the project and asked for contributions of personal and family stories about life in the Valley before and after the coming of TVA. Stories have poured in by phone and e-mail from TVA retirees, employees and citizens throughout the Valley.

Some of the stories are humorous, some are heartfelt and many are thought-provoking. The following is an excerpt from retiree Larry Maney of Fall Branch, Tenn.:

*I spent 28 years with TVA before retiring and had a very rewarding career. However, as a child, I didn't even know how to dream of such an opportunity.*

*I was born on the Cherokee Reservation in North Carolina. We were a very poor family and times were hard, especially considering the impact of World War II.*

*Employment was something that people would take just about anywhere they could find it. I don't know how it happened, but Dad got a job working on Fontana Dam.*

*I remember the days before electricity. We had two oil lamps that we carried from room to room at night. We carried drinking water from a spring about 150-200 yards from the house.*

*Wood-cutting was a year-round job. The house was merely a large shed. Insulation was not even an option, and there was nothing to keep the heat from going up into the attic.*

*Our house was right beside Soco Creek. During some of the floods, the water, after rising*

*about 8-10 feet, would be under part of the house.*

*When we finally got electricity, we thought it was the greatest thing in the world. The one bulb in each room was BRIGHT!!! And we had a refrigerator, but that was the extent of our modernization until we finally got a wringer washer.*

— KRISTEN DAVIS



Valley resident with one of the early electric stoves

## Still time to send in stories

Dick Swisher says there is still time for retirees to contribute their thoughts and recollections for the documentary. Stories are needed on these topics:

- The difficulties of life in the Valley before TVA
- How TVA changed life in the Valley
- Stories of sacrifice made by displaced families for the good of the Valley
- Stories related to Norris Dam, Fontana Dam, Muscle Shoals Locks, Wilson Dam, Oak Ridge, Douglas Dam, and TVA fossil and nuclear plants

If you would like to participate in this project, e-mail a brief description of the stories you can tell to [documentary@MyBVI.org](mailto:documentary@MyBVI.org). Or call 1-888-257-9374 and leave a brief message.

Be sure to provide a phone number or e-mail address so the film directors can contact you if they need further information.

## new retirees

### 37 years

**Gerald T. Brown**, Fossil Power Group, Gallatin

**W. Travis Warf**, Power System Operations, Columbia

**Wayne K. Wilson**, River Operations, Chattanooga

### 36 years

**John W. Blackburn**, FPG, Chattanooga

**Larry H. Coan**, FPG, Tusculumbia

**James E. Guess**, FPG, Stevenson

**Barney W. Helton II**, FPG, Chattanooga

**Janice E. Hinkle**, COO, Chattanooga

**Sandra L. Perry**, Office of Environment & Research, Knoxville

**Randall K. Summers**, O&ER, Muscle Shoals

### 35 years

**David W. Bryson**, Nuclear Power Group, Spring City

**Tony M. Parrish**, FPG, Chattanooga

**Carol D. Tollett**, Chief Financial Office, Knoxville

**Steve L. West**, River Operations, Chattanooga

### 33 years

**John D. Bendall**, PSO, New Johnsonville

**Larry G. Bray**, RO, Knoxville

**Amy T. Burns**, PSO, Chattanooga

**Nigel B. Davis**, FPG, Stevenson

**Thomas A. Davis**, RO, Chattanooga

**Nicholas F. Miller**, FPG, West Paducah

**Mark S. Moore Sr.**, FPG, Muscle Shoals

**John K. Ryan**, FPG, West Paducah

### 32 years

**Daniel D. Copeland**, O&ER, Muscle Shoals

**Anthony B. Dahmus**, NPG, Soddy-Daisy

**George E. Emery**, FPG, New Johnsonville

**Joe D. Giles**, FPG, Chattanooga

**Curtis W. Goff**, RO, Knoxville

**David A. Gordon**, FPG, Chattanooga

**Jeffery C. Goulart**, NPG, Soddy-Daisy

**Joseph A. Higdon**, FPG, Murfreesboro

**Robert T. Knight**, FPG, Drakesboro

**Lynne C. Kyle**, NPG, Soddy-Daisy

**James H. McLaughen**, CFO,

Chattanooga

**George W. Norris**, O&ER, Norris

**Robert J. Poole**, NPG, Soddy-Daisy

**Glenn E. Pratt**, COO, Oakfield

**Mitchell G. Rievley Jr.**, RO, Knoxville

**Samuel R. Smith**, FPG, Cumberland City

**D. Delen Wright Jr.**, COO, Chattanooga

### 31 years

**Willie Buchanan**, O&ER, Muscle Shoals

**James C. Dennis**, FPG, Drakesboro

**Paula P. Dolan**, PSO, Chattanooga

**Randy W. Meadows**, Administrative Services, Chattanooga

**Allen E. Stokes**, Admin Svs, Knoxville

**James A. Talley**, PSO, Knoxville

**Linda Y. Torbett**, RO, Knoxville

**Donald W. Willis**, NPG, Soddy-Daisy

If you are a TVA retiree and you've got talent, you could be the next

**American  
Anything-but-Idle  
Star!**



Sign up today. Call Reba Whitson at 865-632-3318 or e-mail her at [tvara@tva.com](mailto:tvara@tva.com).

Join us for the TVA Retirees Association  
Annual Picnic Friday, Sept. 7,  
at Guntersville Civitan Park in Alabama

Come enjoy the 40th Anniversary  
Celebration of TVARA

TVA President and Chief Executive Officer Tom Kilgore will be the guest speaker. Join other retirees for food and fellowship. Exchange stories about work and your association with TVA. See the great American "Anything-but-Idle" show. Register for great door prizes.

The picnic begins at 10 a.m. CDT.

It is free for retirees and one guest.

The charge for additional guests is only \$8 each.

To register, call the BVI office at 256-386-3106 or toll-free at 1-800-426-8801.

Buses will be available from

Chattanooga, Knoxville and Muscle Shoals.

For information and bus reservations, contact the following:

Chattanooga — C.D. Heidel, 423-476-6497, [heideltzwei@aol.com](mailto:heideltzwei@aol.com), \$12/person (non-refundable)

Knoxville — Linda DeLozier, 865-531-6286, [riverbull4@aol.com](mailto:riverbull4@aol.com), \$15/person

Muscle Shoals — Bill Snoddy, 256-757-3529, [nsnoddy@aol.com](mailto:nsnoddy@aol.com), \$10/person

**TVA RETIREES ANNUAL PICNIC REGISTRATION  
Sept. 7 at Guntersville Civitan Park**

Name of Retiree \_\_\_\_\_

Spouse or Guest\* \_\_\_\_\_

Retiree Home Address \_\_\_\_\_

City \_\_\_\_\_  
State \_\_\_\_\_ Zip \_\_\_\_\_

Additional Guests \_\_\_\_\_

\*No charge for retiree and spouse or one guest. Enclose \$8 for each additional guest and mail check to BVI c/o TVA at WAR 1-B, P.O. Box 1010, Muscle Shoals, AL 35662-1010.